



GENERAL SERVICES ADMINISTRATION

[OMB Control No. 3090-0306; Docket No. 2019-0001; Sequence No. 4]

**General Services Administration Acquisition Regulation;
Information Collection; Transactional Data Reporting**

AGENCY: Office of Acquisition Policy, General Services Administration (GSA).

ACTION: Notice of request for comments regarding an extension to an existing OMB clearance.

SUMMARY: Under the provisions of the Paperwork Reduction Act, the Regulatory Secretariat Division is submitting a request to the Office of Management and Budget (OMB) to review and approve an extension of a previously approved information collection requirement regarding General Services Administration Acquisition Regulation (GSAR) clauses 552.216-75 Transactional Data Reporting and 552.238-80 Industrial Funding Fee and Sales Reporting, Alternate I.¹ GSA uses this information to establish price reasonableness on certain Government-wide contracts, inform category management activities, collect fees due from buying agencies, and administer the respective programs.

¹ This clause was formerly found at GSAR 552.238-74 but was amended to GSAR 552.238-80 per GSAR case 2016-G502, effective May 23, 2019. See 84 FR 17030 from April 23, 2019.

DATES: Submit comments on or before: **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]** .

ADDRESSES: Submit comments identified by **Information Collection 3090-0306, Transactional Data Reporting**, by any of the following methods:

- Regulations.gov: <http://www.regulations.gov>. Submit comments via the Federal eRulemaking portal by searching the OMB control number. Select the link "Submit a Comment" that corresponds with "Information Collection 3090-0306, Transactional Data Reporting." Follow the instructions provided at the "Submit a Comment" screen. Please include your name, company name (if any), and "Information Collection 3090-0306, Transactional Data Reporting" on your attached document.
- Mail: General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street, NW, Washington, DC 20405. ATTN: Ms. Mandell/IC 3090-0306, Transactional Data Reporting.

Instructions: Please submit comments only and cite Information Collection 3090-0306, Transactional Data Reporting, in all correspondence related to this collection. All comments received will be posted without

change to <http://www.regulations.gov>, including any personal and/or business confidential information provided.

FOR FURTHER INFORMATION CONTACT: Mr. Matthew McFarland,
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SUPPLEMENTARY INFORMATION:

A. Purpose

Transactional data is generated when a transaction is made between a buyer and seller and shows details of transactions at the line-item level, such as descriptions, quantities, and the prices paid for the items purchased. The Government is increasingly using this data to gain insight into its purchasing patterns, allowing it to identify the most efficient solutions, channels, and sources to meet its mission critical needs. This data is particularly critical to the Government's use of category management, the business practice of buying common goods and services as an enterprise to eliminate redundancies, increase efficiency, and deliver more value and savings from acquisition programs. Moreover, individual buyers benefit from this data when conducting market research, price analysis, and negotiations.

Transactional data is typically possessed by the buyer and seller in a transaction. On the Government (buyer)

side, this data is often found in contract writing systems and financial systems. However, these systems are not shared across agencies; in fact, some agencies use multiple versions of these systems. Hence, no mechanism currently exists to compile and analyze transactional data from a wide-range of purchases made across the Government.

GSA sought to improve the Government's access to this data through the Transactional Data Reporting final rule, published on June 23, 2016.² The rule amended the General Services Administration Acquisition Regulation (GSAR) by establishing two contract clauses requiring vendors to report transactional data from orders placed against GSA's Government-wide contract vehicles:

- Alternate I of GSAR clause 552.238-80 Industrial Funding Fee and Sales Reporting has been introduced to the Federal Supply Schedule (FSS) program on a pilot basis, along with corresponding reductions to existing pricing disclosure requirements.
- GSAR clause 552.216-75 Transactional Data Reporting is applicable to GSA's Government-wide Acquisition Contract (GWAC) and other Government-wide indefinite-delivery indefinite-quantity (IDIQ) contract vehicles

² See GSAR Case 2013-G504; Docket 2014-0020; Sequence 1 [81 FR 41104 (June 23, 2016)].

established after June 23, 2016.³ As of May 2019, Alliant 2 (unrestricted) is the only vehicle in this class that has been required to, and is using, the Transactional Data Reporting clause.

This information collection primarily applies to GSA's FSS contracts, commonly known as GSA Schedules or Multiple Award Schedules (MAS). These Government-wide contracts provide federal agencies with a simplified process for acquiring commercial supplies and services. The GSA FSS program is the Government's preeminent commercial contracting vehicle, accounting for about 10 percent of all federal contract dollars with approximately \$33 billion of purchases made through the program in fiscal year 2018.

GSA establishes the pricing and terms of each GSA Schedule contract with commercial vendors. Federal agencies then follow GSA's competitive procedures when placing orders against these contracts and thereby satisfy statutory competition requirements to provide "the lowest overall cost alternative to meet the needs of the Federal Government."⁴ In turn, those agencies must pay an Industrial Funding Fee (IFF) that covers GSA's costs of operating the

³ The rule does not apply to FSS contracts administered by the Department of Veterans Affairs.

⁴ 41 U.S.C. 152(3) (B) requires FSS ordering procedures to "result in the lowest overall cost alternative to meet the needs of the Federal Government."

FSS program. The fee is currently set at 0.75% and is included in the prices ordering activities pay vendors when purchasing from an FSS contract.⁵ FSS vendors then report GSA Schedule sales data and remit the IFF collected from ordering activities to GSA once a quarter.

There were a total of 16,215 FSS contracts in fiscal year 2018. This information collection pertains to the 2,063 contracts that participated in the Transactional Data Reporting pilot. The remaining 14,152 contracts are subject to legacy sales reporting requirements and pricing disclosure requirements associated with Commercial Sales Practices (CSP) and GSAR clause 552.238-81 Price Reductions, otherwise known as the Price Reductions Clause (PRC); those requirements are accounted for under separate information collection identified by OMB control number 3090-0235.⁶

GSA believes Transactional Data Reporting offers a meaningful burden reduction for FSS vendors. GSA estimates the combined burden of this information collection is 49% less per contract than the legacy sales reporting requirements and CSP and PRC disclosures associated with

⁵ The IFF for Schedule 599, Special Item Number 599-2 is \$1.50 per transaction.

⁶ The PRC was formerly found at GSAR 552.238-75 but was amended to GSAR 552.238-81 per GSAR case 2016-G502, effective May 23, 2019. See 84 FR 17030 from April 23, 2019.

OMB control number 3090-0235. GSA estimates if all FSS vendors participated in Transactional Data Reporting, they would realize an estimated annual burden reduction of \$30.8 million.⁷ On the other hand, GSA estimates ending the FSS pilot will cost participating vendors nearly \$15 million and GSA approximately \$3 million to transition to the legacy sales reporting and CSP and PRC disclosure requirements unless an alternate method is created to collect the IFF, monitor program sales and establish and monitor contract pricing.⁸

⁷ The estimated burden for this information collection, which applied to the 14,152 contracts not participating in the Transactional Data Reporting pilot, is estimated to be \$94.2 million. This equates to a per-contract burden of \$6,662/year. The estimated burden for the Transactional Data Reporting information collection is \$9.2 million/year for the 2,063 contracts participating in the FSS pilot; this equates to a per-contract the burden of \$4,483/year. The estimated \$30.8 million/year burden reduction is calculated by taking the updated 3090-0235 burden estimate (\$94.2 million/year) and subtracting the product of the number of contracts included in 3090-0235 multiplied by the average per-contract burden of Transactional Data Reporting (14,152 contracts x \$4,483), which equals \$63.4 million/year (\$94.2M - \$63.4M = \$30.8M). More information about the Transactional Data Reporting burden can be found under Information Collection 3090-0306 at <http://www.reginfo.gov/public> by searching "ICR" for "3090-0306".

⁸ Vendors transitioning back to the CSP/PRC framework would have to submit CSPs to establish basis of award pricing. As of December 2018, 2,158 vendors were participating in the Transactional Data Reporting pilot. Using the framework for new offer CSPs in this information collection, 2,158 new offer CSPs would equate to a burden of \$11.5 million. This same framework would show increased costs of \$3 million for GSA to process 2,158 new offer CSPs. Additionally, these vendors would also need to establish sales tracking systems to comply with the sales reporting requirements of the basic version of GSAR clause 552.238-80. Using the sales reporting cost estimation framework for establishing new systems from OMB control number 3090-0235, this would cost these vendors \$3.1 million.

The Paperwork Reduction Act generally requires information collections to be renewed every three years.⁹ Both this information collection (OMB control number 3090-0306) and the information collection associated with legacy sales reporting and CSP and PRC disclosure requirements (OMB control number 3090-0235) were last approved in 2016, so GSA is now obtaining extensions to both information collections.¹⁰

This request for comments only pertains to the information collection requirements associated with Transactional Data Reporting (OMB control number 3090-0306). GSA has also posted a separate notice requesting comments on the information collection associated with legacy sales reporting and CSP and PRC disclosure requirements (OMB control number 3090-0235).

Information Collection Changes and Updates

Adjustments for Actual Number of Contracts: The Transactional Data Reporting pilot had yet to launch when these burden estimates were previously calculated in 2016, so GSA based its estimates for the number of contracts that would participate on the total number of contracts under

⁹ 44 U.S.C. 3507(g)

¹⁰ GSA is consolidating a separate information collection for IFF and sales reporting (OMB control number 3090-0121) with the pricing disclosures information collection (OMB control number 3090-0235) because the burdens are interdependent.

the Schedules and Special Item Numbers eligible for the pilot:

- The ratio of GSA Schedule contracts that would continue to require legacy sales reporting and CSP and PRC disclosures was estimated to be 56.8%, which was based on the percentage of the program's sales in fiscal year 2015 for contracts that would not be eligible to participate in the Transactional Data Reporting pilot.
- The ratio of GSA Schedule contracts slated to be included in the Transactional Data Reporting pilot was estimated to account for the remaining 43.2%.

However, pilot participation became optional in 2017 and the number of contracts that eventually joined the pilot was far lower than anticipated in 2016. Of the 16,215 contracts that were active in FY 2018—

- 14,152 contracts, or 87.28% of the total, were required to conduct legacy sales reporting and provide CSP and PRC disclosures.
- 2,063 contracts, or 12.72% of the total, participated in the Transactional Data Reporting pilot.

Additionally, only one non-FSS contract vehicle, Alliant 2 (unrestricted), currently uses the non-FSS Transactional Data Reporting clause. The last revision of

these burden estimates relied upon the total number of non-FSS contracts (537) that would be eligible had they been awarded after the Transactional Data Reporting rule was promulgated. As a result, the number of non-FSS contracts was lowered from 537 to the actual number of contracts using the applicable clause, 53.

Accordingly, the revised participation figures resulted in significantly lower burden estimates for this information collection. On the other hand, the FSS pilot participation revisions resulted in significantly higher burden estimates for the information collection accounting for CSP and PRC disclosures and legacy sales reporting (OMB Control Number 3090-0235).

Revised Labor Rates: The previous burden estimates used a fully burdened labor rate of \$68/hour. This included a \$50/hour base rate, which was based on professional judgment, and 36% for fringe benefits, which was rounded down from the 36.25% fringe benefit factor included in OMB Circular A-76. The revised burden estimates attempt to align with the Department of Defense's Regulatory Cost Analysis Tool (RCAT), which was developed to prepare economic analyses in compliance with Executive Order 13771 and uses various Government labor category rates as the basis for cost estimates. As such, GSA determined—

- The GS-12, Step 5 labor rate from the RCAT (\$55.19/hour) was the most appropriate for the tasks performed by vendors to comply with monthly reporting requirements; and
- The GS-14, Step 5 labor rate from the RCAT (\$77.25/hour) was the most appropriate for the tasks performed by vendors to comply with the initial setup.

B. Annual Reporting Burden

This information collection applies to GSA FSS contracts that include GSAR clauses 552.216-75 Transactional Data Reporting and 552.238-80 Industrial Funding Fee and Sales Reporting, Alternate I. In FY 2018, vendors held 53 Alliant 2 contracts subject to clause 552.216-75 and 2,063 GSA FSS contracts subject to Alternate I of GSAR clause 552.238-80.

Both clauses require vendors to report the data elements outlined in each clause, such as item descriptions and prices paid, to a GSA website. This data must be reported monthly within 30 calendar days after the end of each calendar month, meaning vendors will furnish 12 reports over the course of a year for each contract containing one of these clauses. Vendors also remit applicable fees, such as the IFF for Schedule contracts, when submitting these reports.

Cost Burden Calculation

The two primary activities associated with this information collection are the initial setup and monthly reporting. GSA calculated the cost burden for each as follows:

- Initial Setup: The duties required for these activities will generally be completed by a senior-level subject matter expert. For the purposes of establishing an hourly rate, GSA equates these duties to those of a GS-14, Step 5 employee, whose hourly rate in 2019 for the "Rest of U.S." locality is \$56.92 an hour.¹¹ When factoring a 36.25 percent overhead rate for fringe benefits, the fully burdened rate is \$77.55 an hour.¹²
- Quarterly Reporting: The duties required for these activities will generally be completed by mid-level personnel. For the purposes of establishing an hourly rate, GSA equates these duties to those of a GS-12, Step 5 employee, whose hourly rate in 2019 for the "Rest of U.S." locality is \$40.51 an hour. When

¹¹ General Schedule (GS) labor rates may be viewed on the Office of Personnel Management (OPM) under Pay & Leave: Salaries and Wages, SALARY TABLE 2019-RUS at https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/19Tables/html/RUS_h.aspx

¹² 36.25% overhead rate was used in reference to Office of Management and Budget (OMB) Circular No. A-76. Circular A-76 requires agencies to use standard cost factors to estimate certain costs of Government performance. These cost factors ensure that specific government costs are calculated in a standard and consistent manner to reasonably reflect the cost of performing commercial activities with government personnel.

factoring a 36.25 percent overhead rate for fringe benefits, the fully burdened rate is \$55.19 an hour.

Categorization of Vendors by Monthly Sales Revenue:

Transactional Data Reporting imposes a progressive burden—one that increases with a contractor's sales volume.

Monthly reporting times increase with a vendor's applicable sales volume, as vendors with lower to no reportable sales spend relatively little time on monthly reporting, while those with more reportable sales with face a higher reporting burden.

GSA separated vendors into categories based on annual sales volume in order to account for the differences in reporting burden. These categories are:

- Category 1: No sales activity (annual of \$0)
- Category 2: Annual sales between \$0 and \$25,000
- Category 3: Annual sales between \$25,000 and \$250,000
- Category 4: Annual sales between \$250,000 and \$1 million
- Category 5: Annual sales over \$1 million

The distribution of vendors by sales category is as follows:

FSS and Non-FSS Vendors by Sales Category

	FSS Vendors (Count)	FSS Vendors (Percentage)	Non-FSS Vendors (Count)	Non-FSS Vendors (Percentage)	Total Vendor Count by Category
Category 1	318	15%	37	70%	355
Category 2	197	10%	0	0%	197
Category 3	619	30%	0	0%	619
Category 4	407	20%	2	4%	409
Category 5	522	25%	14	26%	536
Total	2,063	100%	53	100%	2,116

Automated vs. Manual Reporting Systems: Vendors subject to these clauses must create systems or processes to produce and report accurate data. Generally, vendors will use automated or manual systems to identify the transactional data to be reported each month. An automated system is one that relies on information technology, such as an accounting system or data management software, to identify and compile reportable data. These systems can tremendously streamline the reporting process but require upfront configuration to perform the tasks, such as coding the data elements to be retrieved. Conversely, a manual system is one that incorporates little to no automation and instead relies on personnel to manually identify and compile the reportable data. An example of a manual system would be an accountant reviewing invoices to identify the reportable data and then transferring the findings to a spreadsheet. In contrast to automation, a manual system requires relatively little setup time but the reporting

effort will generally increase with the vendor's sales volume.

The likelihood of a vendor adopting an automated system increases with their applicable sales volume. Vendors with little to no reportable data are unlikely to expend the effort needed to establish an automated reporting system since it will be relatively easy to identify and report a limited amount of data. In fiscal year 2018, 15% of FSS contracts in the Transactional Data Reporting pilot had \$0 sales, while another 10% reported annual sales between \$1 and \$25,000 per month. However, as a vendor's applicable average monthly sales increase, it will be increasingly likely to establish an automated system to reduce the monthly reporting burden. Consequently, vendors with higher reportable sales will likely bear a higher setup burden to create an automated system, or absorb a high monthly reporting burden if they choose to rely on manual reporting methods.

The following chart depicts the likelihood of the current population adopting manual and automated reporting systems:

Vendors by Reporting System Type (Manual vs. Automated)				
	Manual System (Percentage)	Automated System (Percentage)	Manual System Vendor Count	Automated System - Vendor Count
Category 1	100%	0%	355	0

Category 2	100%	0%	197	0
Category 3	90%	10%	557	62
Category 4	50%	50%	205	205
Category 5	10%	90%	54	482
Total Count of Vendors by System Type			1,367	749
Percentage of Vendors by System Type			65%	35%

Initial Setup: Vendors complying with this rule will absorb a one-time setup burden to establish reporting systems. The estimated setup time varies between automated and manual reporting systems. Vendors implementing a manual system must acclimate themselves with the new reporting requirements and train their staff accordingly, while those with automated systems must perform these tasks in addition to configuring information technology resources. GSA estimates the average one-time setup burden is 8 hours for vendors with a manual system and 240 hours for those with an automated system.

Monthly Reporting: After initial setup, vendors subject to these clauses are required to report sales within 30 calendar days after the end of each calendar month. The average reporting times vary by system type (manual or automated) and by sales categories. GSA estimates vendors using a manual system will have average monthly reporting times ranging from 15 minutes (0.25 hours) for vendors with \$0 sales to an average of 48 hours for vendors with monthly sales over \$1 million. On the

other hand, GSA projects vendors with automated systems will have reporting times of 2 hours per month, irrespective of monthly sales volume, as a result of efficiencies achieved through automated processes. The following table shows GSA's projected monthly reporting times per sales category and system type:

Monthly Reporting Hours by System Type and Category		
	Manual Systems	Automated Systems
Category 1	0.25	2.00
Category 2	2.00	2.00
Category 3	4.00	2.00
Category 4	16.00	2.00
Category 5	48.00	2.00

FSS Burden Estimates: A total of 376 FSS contracts joined the Transactional Data Reporting pilot in FY 2018, including 139 newly awarded contracts and 237 existing contracts that voluntarily joined the pilot. The initial setup burden was split between manual and automated systems, the number of which was estimated based on the ratio for all pilot contracts (64% manual, 36% automated). The initial setup burden for those contracts is illustrated below:

Initial Setup
 Annual Burden (Hours): 34,412
 Annual Burden (Cost): \$2,668,613

Transactional data was reported for 2,063 FSS contracts

in FY 2018. As previously noted, the reporting burden for vendors using manual systems increases with their reported sales while the reporting burden for vendors using automated systems remains constant regardless of the reported sales volume. The reporting burden for those contracts is illustrated below:

Quarterly Reporting

Annual Burden (Hours): 119,207

Annual Burden (Cost): \$6,579,023

Non-FSS Burden Estimates: The only non-FSS contract vehicle currently using the clause is the Alliant 2 unrestricted contract. 53 Alliant 2 contracts were awarded in FY 2018, meaning each of the contract holders incurred initial setup costs. The initial setup burden was split between manual and automated systems, the number of which was estimated based on the ratio for the Alliant 2 contracts (74% manual, 26% automated). The initial setup burden for those contracts is illustrated below:

Initial Setup

Annual Burden (Hours): 3,672

Annual Burden (Cost): \$284,764

As previously noted, the reporting burden for vendors using manual systems increases with their reported sales while the reporting burden for vendors using automated systems remains constant regardless of the reported sales volume. The reporting burden for those contracts is as

follows:

Quarterly Reporting

Annual Burden (Hours): 1,445

Annual Burden (Cost): \$79,772

Total Annual Burden

The total estimated burden imposed by Transactional Data Reporting is as follows:

Estimated Annual Time Burden (Hours)

FSS Vendors: 153,619

Non-FSS Vendors: 5,117

Total Annual Time Burden: 158,736

Estimated Annual Cost Burden

FSS Vendors: \$9,247,636

Non-FSS Vendors: \$364,535

Total Annual Cost Burden: \$9,612,171

C. Public Comments

Public comments are particularly invited on: Whether this collection of information is necessary and whether it will have practical utility; whether our estimate of the public burden of this collection of information is accurate, and based on valid assumptions and methodology; ways to enhance the quality, utility, and clarity of the information to be collected.

OBTAINING COPIES OF PROPOSALS: Requesters may obtain a copy of the information collection documents from the General Services Administration, Regulatory Secretariat Division (MVCB), 1800 F Street, NW, Washington, DC 20405, telephone 202-501-4755. Please cite Information Collection

3090-0306, Transactional Data Reporting, in all
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